



Blue Cross

of Florida

P.O. Box 1798
Jacksonville, Fla. 32231

Institutional ViewS

Official Voice on Matters of

.... Plan Policies

.... Procedures

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.... Cost Containment

Vol. 2, No. 10

October, 1978

Mel Snead, Vice President of Institutional Affairs, To Retire After 26½ Years Service With Florida Plan

Mel C. Snead, Vice President of Institutional Affairs, has announced plans to retire January 31, 1979, after 26½ years of service with Blue Cross of Florida. He began his career with the Plan on July 7, 1952, as a Marketing Representative in the first Blue Cross office in Panama City. A year later, he was appointed West Florida Branch Manager in Tallahassee. On September 1, 1957, he assumed his present position in the Jacksonville Home Office.

Mel has seen the Plan grow from 98 Contracting Hospitals to 220, plus the addition of 32 Skilled Nursing Facilities, 64 Home Health Agencies, 21 Specialty Hospitals (psychiatric and rehabilitation), six Ambulatory Surgical Facilities, and several other health care facilities such as Substance Abuse Centers, Dialysis Centers, etc. This dedicated employee of one of America's fastest growing Blue Cross Plans has received many honors for his achievements, and has maintained his active participation in church activities and other community services. He and his wife, Eleanor, plan to remain in Jacksonville where they will be close to three of their four children and seven grandchildren. Their fourth child resides in Cincinnati, Ohio.

The employees of the Institutional Affairs Division join with the other employees of the Florida Plan and his many friends throughout the state in wishing Mel a long, healthy and happy retirement.

Blue Cross to Contract with Psychiatric Hospitals

A special one-year experimental program for payment of regular contract benefits on behalf of Blue Cross subscriber admissions to private psychiatric hospitals has been approved for an effective date of January 1, 1979.

All licensed psychiatric hospitals in Florida have been invited to apply for participation in this one-year project. The Plan will maintain separate statistical information on an on-going basis throughout the year in order to determine the total impact upon utilization, benefit payments, etc. Future issues of **Institutional ViewS** will publish the names and locations of the psychiatric hospitals who are approved by the Blue Cross Board of Directors.

ROUTE TO ATTENTION OF

- ☐ Assistant Administrator
- ☐ Comptroller
- ☐ Business Manager
- ☐ Insurance Supervisor
- ☐ Other

Medicare Part A Financial Remittance System

The new Medicare Part A Financial Remittance System was discussed at the recent Hospital Workshops. A tentative implementation date of October 3, 1978, was announced at that time. Implementation, however, is being delayed in order to continue parallel testing of this system. A new implementation date will be announced in the near future, following completion of the system testing.

Federal Employee Claims Must Indicate Whether or Not Patient Is Covered by Medicare

One of the requirements of administering the Federal Employee Program is the identification of subscribers/patients who may have or who are eligible for Medicare benefits. This information must be received directly from the subscriber.

In order to accomplish this requirement, we have requested that hospitals, in submitting claims under the Federal Employee Program, indicate on the claim whether or not the patient has or is eligible for Medicare benefits. With the implementation of the UB-16 claim form, a large number of Federal Employee claims have been received **without** this information; consequently, these claims have been returned to the facilities with requests that this information be provided.

In order to alleviate further problems, may we remind you to submit this information at the time the initial claim is submitted to Blue Cross. This should be done for patients over 65, and also for those patients under 65 who are disabled or suffer from chronic renal disease. It also is required that when a Federal Employee Program subscriber 65 years of age or older claims not to be eligible for Medicare benefits, either in its entirety or for either Part A or Part B individually, a signed statement from the subscriber/patient to that effect is necessary.

Your cooperation in this matter is greatly appreciated.

Dimension III, A New Direct, Non-Group Contract, Is Now Being Offered to Floridians

Blue Cross and Blue Shield of Florida is underwriting a new direct, non-group contract called Dimension III. This is a comprehensive type contract with a \$200.00 per calendar year deductible. After the deductible has been satisfied, hospital charges will be paid at 80%, with room and board charges not to exceed \$90.00. The deductible will not apply to Emergency Room Services within 90 days of an accident; however, if services are rendered after 90 days, the deductible will apply. This contract excludes coverages for blood and blood plasma.

The pre-existing conditions of this contract are:

- (1) Treatment for any pre-existing condition or illness will not be covered for one year from the effective date.
- (2) Treatment for any mental or physical handicap will not be covered for two years from effective date.
- (3) Benefits for removal of tonsils, adenoids, hemorrhoids and the treatment of hernia conditions will not be covered for a 180-day waiting period.
- (4) Benefits for obstetrical care will not be covered for 270 days after effective date of family coverage.

Subscriber's Name
John A. Doe

Contract Number
Y 444-20-8534

Group Number
99999

Contract Benefits
90 Y Y 590 090

RR BC SX BS MM RX

New Dimension III contract can be identified by the letter "Y" associated with the number "99999" (circled above) on the subscriber's Blue Cross & Blue Shield Identification Card.

Reproduced (above right) is a sample Blue Cross & Blue Shield Dimension III Identification Card. The contract is identified by a "Y" prefix found before the 9-digit contract number. The "Y" also is noted on the Contract Benefits line of the Identification Card over both Blue Cross (BC) and Blue Shield (BS). The number "99999" under "Group Number" indicates a direct, non-group contract. Thus, the letter "Y" associated with the number "99999" under "Group Number" on the I.D. Card always will indicate a Dimension III subscriber.

Please place the "Y" prefix before the contract number for both *approval* and *billing* purposes.

Persons interested in further information concerning this new non-group contract, which has very competitive premiums, may contact their nearest Blue Cross & Blue Shield office.

Listing of Central Certification Groups Is Included With This Newsletter for Your Convenience

For convenience and easy referencing by your Insurance and Billing Staff, we are including as an insert with this month's newsletter a complete listing of Blue Cross & Blue Shield Central Certification Groups.

The listing includes: (1) Name of Group; (2) Whether The Group Has Both Blue Cross & Blue Shield Coverages; (3) Whether The Group Has Blue Cross Coverages Only; (4) Letter Prefix to Use With Subscriber's Identification Number in Block 17 of UB-16 Claim Form.

Cost Containment Activities

St. Anthony's Hospital (St. Petersburg)

This hospital is highlighted this month for its effective cost containment activities.

General cost containment activities include the implementation of **one-day outpatient surgery**; **group purchasing efforts**; **internal medical education** (purchase of video-tape system for education of doctors and nurses; and **establishment of Product Evaluation Committee** to review hospital products and standardization.

In the area of Plant Operation and Maintenance, efforts to reduce costs have included such projects as: (1) Switching from oil to lower priced gas for boilers; (2) Reclaiming heat and water in the laundry; (3) Using well water for grounds at the hospital; (4) Reducing hall lighting by separating switches.

Other cost containment activities include:

Histology (S.K. Slide Stainer): An automatic slide stainer able to take slides on a random input basis. Advantages are a faster and more consistent product than manual staining and reduction of a technologist's time since it does not require the technologist's presence to oversee the operation.

Blood Bank (Dade C7M System): An automatic cell washer and Coombs system. Advantages are that the system gives consistent results from specimen to specimen, improving accuracy in processing and cross-matching. Also, it does not require the technologist to manually wash and add Coombs specimens for crossmatch and/or processing.

Chemistry (Hycell Mark 17): A fully automatic sequential analyzer which programs 17 chemistry tests on a single specimen. The cost savings advantage is that it allows one operator to perform the work of three to four technologists.

Increase in Cost Share Under CHAMPUS Program For Dependents of Active Duty Military Personnel

Effective October 1, 1978, the inpatient cost-share (payable to the facility) for dependents of active duty military personnel under the CHAMPUS Program was increased to \$25.00 per confinement or \$4.65 per day, whichever is greater.

Annual Increase In The Consumer Price Index Figure For Hospital Service Charge

The annual increase in the Hospital and Other Medical Services Component subindex of the CPI for All Urban Consumers for the month of August, 1978, is **10.5%**. In order for rate increases to be presumed financially justified without in-depth analysis, the rate cannot exceed 80% of the applicable figure above, or **8.4%**. **(Please note that rate increase requests and required documentation must still be received by Blue Cross at least 60 days prior to the implementation and be based on the published CPI for the fourth month preceding the effective date.)**

Blue Cross Contracts With Free-Standing Home Health Agencies

Fourteen non-hospital based Home Health Agencies were approved by the Blue Cross Board of Directors on September 29, 1978. Federal Employees, many National Accounts, and other subscribers — both Florida Blue Cross members and members from out-of-state Plans — whose contracts include coverage for Home Care are now eligible for reimbursement for such covered services provided by these Agencies, as well as hospital-based Home Health Programs.

The 14 non-hospital based Home Health Agencies approved by Blue Cross are:

1. Community Home Health Care, Inc., New Port Richey.
2. Community Home Health Services, Pompano Beach.
3. East Coast Home Health Services, Inc., Jacksonville.
4. Gold Coast South Home Health Services, Inc., Hollywood.
5. Gold Coast Home Health Services, Inc., Pompano Beach.
6. Health Care of Volusia County, Inc., Ormond Beach.
7. Home Health Care of Pinellas County, Inc., St. Petersburg.
8. Home Health Services of Dade County, Inc., North Bay Village.
9. Mederi, Inc., Fort Lauderdale.
10. Mederi, Inc., Miami.
11. Polk County Association of Nursing Councils, Inc., Winter Haven.
12. South Dade Home Health Services, Inc., Miami.
13. Total Care Home Health Agency, Inc., Miami.
14. Visiting Nurse Association of Broward County, Fort Lauderdale.

Institutional Relations Representatives

Should you have any questions regarding the information contained in this Newsletter, please contact your Local Institutional Relations Representative:

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